# GUIDELINES FOR A MEMORANDUM OF UNDERSTANDING

## Appendix A - Diocesan Guidelines - Memorandum of Understanding For Opportunity Shops

The Diocese recommends that every Opportunity Shop should have a written memorandum of understanding (MOU). This will clarify expectations and minimise misunderstandings.

It is important to recognise that the Churchwardens and Parish Council are always responsible for the operation of the Opportunity Shop, even with the appointment of a Management Committee. Where a Parish Council elects not to appoint a Management Committee, the Parish Council will have a more direct responsibility through the Churchwardens, for the operation of the Op Shop. Anyone who tries to operate outside this framework puts themselves at considerable personal risk.

Following is an outline of what the diocese believes to be the essential elements of a memorandum of understanding plus an example of a Memorandum of understanding.

When developing or modifying your own you Memorandum of understanding should seek your own legal advice and send a draft copy to the diocesan Registry Office.

## Please Note: The information included here should not be used as legal advice.

**GUIDELINES FOR A MEMORANDUM OF UNDERSTANDING**

**Essential Elements**

Parishes adopting and/or modifying these guidelines are advised to forward a copy of their draft MOU *before* being adopted to:

General Manager / Registrar

Anglican Diocese of Bendigo
PO Box 2
BENDIGO VIC 3552

Tel: 03 5443 4711
Email: registrar@bendigoanglican.org.au

**AIMS**

* To benefit…………………………and its work.
* To provide a service to the community with cheap clothes and goods for sale.
* To provide funds for outreach in the community.
* To provide support for a specific project.

## **MANAGEMENT COMMITTEE**

The Management Committee of the shop shall comprise the following:

* **Chairperson**, appointed with the approval of Parish Council
* Secretary/Treasurer (can be appointed from within the membership of the Committee)
* And up to **five** other members which may include an **Assistant Secretary** and **Assistant Treasurer.** There must be at least **one member of Parish Council**, **nominated by Parish Council**, on the Management Committee.

At least two-thirds of the Management Committee shall be enrolled on the Parish Roll.

A Quorum will consist of a majority (i.e. more than half) of committee members. The Management Committee has the right to appoint replacements as required, subject to **ratification by the Parish Council**.

Meetings of Management Committee are to be held monthly/quarterly and Minutes should be kept and sent to Parish Council for information.

It is preferable that the Annual General meeting of the Opportunity Shop be held between 1 February and 31 March each year but before the AGM of the Parish. ***It is suggested that the annual general meeting of the Management Committee be chaired by the Rector or a Nominee, and that elections of office bearers occur at each annual meeting.***

## **DISPOSAL OF PROFIT**

An amount of money, determined by the Parish Council, is to be retained in the bank for running costs of shop (to be determined annually). The remainder of profit to be assigned quarterly to Parish Council for distribution. The Management Committee may make recommendations on the distribution.

Income and expenditure of Opportunity Shop to be shown as a separate item in the monthly and annual accounts.

## **POLICY AND OPERATION**

After consultation with Parish Council, the Management Committee shall:

* Operate and manage the Opportunity Shop.
* Make recommendations to Parish Council on rental/lease agreements concerning the Opportunity Shop. Such agreements must be consistent with Diocesan policy.
* Acquire stock, by donation, for sale in the Opportunity Shop or for distribution without charge to needy people.

## **AGREEMENTS**

The Management Committee is not an independent body and **may not** enter into employment contracts or leasing contracts, except under the authority of the Churchwardens/Parish Council and the Diocese. All lease/rental contracts **must** be in the name of the Bendigo Diocesan Trusts Corporation and be executed (signed) by the Diocese.

## **FINANCE**

All monies should be banked at a bank designated by the Parish Council. Withdrawals should be signed by any two of the following authorised signatories – President/Chairman, Secretary, Treasurer, one other member PLUS 2 others who are authorised signatories of the parish's main operating bank account.

Proper accounts should be kept of all transactions in the Shop, and these accounts should be audited by the Parish auditors and an audited statement of account presented to the Annual General Meeting of the Opportunity Shop and the Parish.

It is the duty of the **Chairperson** and **Treasurer** to inform the **Parish Treasurer** if financial difficulties are foreseen.

## **ALTERATIONS TO MEMORANDUM OF UNDERSTANDING**

The Memorandum of Understanding may **only be amended by Parish Council**; this should not be done without giving the Management Committee adequate opportunity to comment upon a written draft of the amendment(s).

## **CESSATION OF OPERATIONS**

In the event of the Opportunity Shop ceasing operations all assets are to be returned to **Parish Council** for disposal.

## EXAMPLE ONLY

**MEMORANDUM OF UNDERSTANDING
ANGLICAN PARISH OF 'SOMEWHERE' OPPORTUNITY SHOP**

1. The name of the organisation is **THE ANGLICAN PARISH OF [*insert name of parish]* OPPORTUNITY SHOP**, hereinafter referred to as the **OP SHOP**.

**2.** The **MISSION AND** **OBJECTIVES** of the Op Shop shall be:-

1. To operate staff and manage the aforesaid Op Shop of [***insert name of parish]*** situated at the

***[insert location***].

1. To raise funds for the Parish.
2. To use such funds to benefit the parish and its work and for any future development of the Op Shop.
3. To provide a service to the community with cheap clothes and goods for sale.
4. To acquire stock by donation for sale or for distribution without charge to needy people.
5. **THE MANAGEMENT COMMITTEE** of the Op Shop shall comprise the following:-
* Chairperson, appointed with the approval of Parish Council

## Secretary/Treasurer can be appointed from within the membership of the Committee)

* Up to five other members, one of whom must be a Parish Council member - and be nominated by the Parish Council.

At least two-thirds of the Management Committee shall be enrolled on the Parish Roll.

A quorum will consist of a majority (i.e. more than half) of committee members. The Management Committee can appoint replacements as required between annual meetings, subject to ratification by the Parish Council.

Meetings of the Management Committee are to be held at least quarterly and minutes must be kept and sent to the Parish Council for its information.

The annual general meeting of the Op Shop will be held in October or November of each year but before the annual general meeting of the Parish, for reporting and election of office bearers. The annual general meeting of the Management Committee is to be chaired by the Vicar or a Churchwarden who must not be a member of the Management Committee.

The Op Shop coordinator will be convener of the Op Shop and the duties will include keeping a register of all volunteer helpers, re-allocating dates for helpers as required and attending to any day to day enquiries. The coordinator must a member of the Management Committee.

## **FINANCE:**

All monies will be banked at a bank directed by the Parish Council. The Bank Account will be designated as the '**SOMEWHERE' ANGLICAN OP SHOP.**

The cheque signatories will be any two of the following signatories – Chairperson, Treasurer, Secretary, one other member of the Management Committee and two others nominated by Parish Council who are also cheque signatories of the Parish's operating Parish Council account.

The Treasurer will check and balance the daily takings and bank such takings as required.

The profit shall be given at least quarterly to the Parish by the Treasurer of the Management committee - after retaining an amount of money determined by the Parish Council for running costs of the Op Shop. The Management Committee may make recommendations on the distribution of this profit.

Income and Expenditure of the Op Shop will be shown in a Cash Book kept by the Treasurer. Proper accounts will be kept of all transactions in the Op Shop, and these accounts will be audited by the Parish Auditor and an audited statement of account presented to the Annual General Meetings of the Op Shop and also the Parish.

The financial year of the Op Shop shall end on 31 December.

It is the duty of the Chairperson and/or the Treasurer to inform the Parish Treasurer if financial difficulties are foreseen.

1. **THIS MEMORANDUM OF UNDERSTANDING** may only be amended by the Parish Council after giving the Management Committee adequate opportunity to comment upon a written draft of the amendment(s).

## **AGREEMENTS**

The Management Committee is not an independent body and may not enter into employment, leasing/rental or other contracts, except under the authority of the Parish Council. All leasing/rental agreements must be executed in the name of the Bendigo Diocesan Trusts Corporation and be signed by the diocese. Any employment contracts are to be developed by the diocese.

1. **CESSATION OF OPERATIONS**

In the event of the Op Shop ceasing operations all assets are to be returned to the Parish Council for disposal.

**DATED** this \_\_\_\_\_day of\_\_\_\_\_\_\_\_Two thousand and .

**Based on a document from the Anglican Diocese of Melbourne**

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**September 2017**